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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT CALIFORNIA OF SAN FRANCISCO DIVISION**

In re:
PG&E CORPORATION
-and-
PACIFIC GAS AND ELECTRIC
COMPANY,
☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

Case No.: 19-30088 (DM)

Chapter 11
(lead case)
(jointly administered)

**MOTION TO ALLOW/DEEM
TIMELY LATE FILING OF
PROOF OF CLAIM BY CRAIG
MEMORIAL
CONGREGATIONAL CHURCH,
MEMORANDUM OF POINTS
AND AUTHORITIES;
DECLARATION OF REGINA
BAGDASARIAN IN SUPPORT**

Date: TBD
Time: TBD
Place: United States Bankruptcy Court
Courtroom 16, 17th Floor
San Francisco, CA 94102

1 TO THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY COURT
2 JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, AND ALL INTERESTED
3 PARTIES:

4 Frantz Law Group, APLC represents thousands of victims of the Fires started by PG&E
5 in 2017 (generally referred to as the “North Bay Fires”), 2018 (“Camp Fire”) and 2019
6 (“Kincade Fire”). Frantz Law Group, APLC respectfully files this motion on behalf of Craig
7 Memorial Congregational Church (“Movant”) to deem timely late filing of proofs of claims
8 (“Motion”).

9 **I. SUMMARY OF ARGUMENT**

10 A proof of claim may be deemed timely upon a showing of excusable neglect and lack of
11 prejudice. In this case, due to a variety of stressors arising from the Camp Fire, the impact of the
12 Dixie Fire, as well as a misunderstanding as to the legitimacy of their claims, Movants were
13 unable to timely file their proof of claim. Because there is no danger of prejudice to the Debtors
14 as Debtors’ estates are solvent, and all creditors stand to be paid, the Motion should be granted to
15 allow these survivors to have their claim deemed timely. This Court must determine whether to
16 grant the Motion.

17 **II. FACTUAL BACKGROUND**

18 Movant, Craig Memorial Congregational Church, is a Church that was lost due to the fire.
19 Unfortunately, following the fire, the frequent attendees of the Church were busy working on
20 restoring and repairing their own houses and lives, which resulted in the Church being
21 overlooked. Movant seeks to rebuild and restore the sense of community for their believers.
22 Movant provided a place for all to find a sense of understanding a belonging, and wishes to be
23 able to provide the same service upon rebuild of their Church.

24 Craig Memorial Church provided a variety of mental health benefits for the community,
25 which improved the vitality of the community. Attendance at Craig Memorial Church will
26 promote the mental health of their followers and help reduce the amount of stress they suffer
27 from their everyday life, as well as help them cope with the aftermath of the fire.
28

1 Once followers of the Church learned the Church could have a claim, they moved quickly
2 to retain FLG and establish a claim to help rebuild their Church. The Church, to many of the
3 community members, was a part of their identity, and they are eager to rebuild and resume
4 attending. Accordingly, FLG filed a claim on behalf of Movants. A true and correct copy of the
5 Subject Proof of Claim is attached to the Declaration as Exhibit "1."

6 III. LEGAL ARGUMENT

7 In Chapter 11 proceedings, bankruptcy courts have broad discretion to accept late filings,
8 including proofs of claim, where tardiness is the consequence of "excusable neglect." Fed. R.
9 Bank. Pro. 9006(b)(1). This standard is "flexible," and permits the Court to allow "late filings
10 caused by inadvertence, mistake, or carelessness, as well as by intervening circumstances beyond
11 the party's control." *Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd. P'ship*, 507 U.S. 380, 389
12 (1993). Where the party's delay is caused by overwhelming personal distress, a late filing may
13 be allowed on grounds of excusable neglect. See e.g., *In re Nw. Territorial Mint, LLC*, No. AP
14 16 1217-CMA, 2018 WL 6187762, at *5 (B.A.P. 9th Cir. Nov. 27, 2018) ("Excusable neglect
15 can include sudden death, disability or illness of counsel, a close family member of counsel, or .
16 . . the party."); *In re Schultz*, 254 B.R. 149, 154 (B.A.P. 6th Cir. 2000) (same); *TCI Group Life*
17 *Ins. Plan v. Knoebber*, 244 F.3d 691, 699 (9th Cir. 2001) (excusable neglect where party was
18 experiencing extreme personal difficulties and was "distraught") (overruled on other grounds);
19 *Comm. for Idaho's High Desert, Inc. v. Yost*, 92 F.3d 814, 824 (9th Cir. 1996) (holding that
20 "compelling circumstances" in one's personal life may constitute excusable neglect).

21 The test for excusable neglect is "at bottom an equitable [inquiry]." *Pioneer Inv. Servs.*
22 *Co.*, 507 U.S. at 395. Courts in the Ninth Circuit generally examine four (4) factors in their
23 analysis: (i) the danger of prejudice to the non-movant, (ii) the length of delay and its potential
24 impact on the judicial proceedings, (iii) the reason for the delay, and (iv) whether the movant
25 acted in good faith. See *id.* Each of these four factors weighs heavily in favor of Movant.
26 Accordingly, their late proof of claims should be deemed timely.
27
28

1 In our present case, there will be no prejudice to PG&E by the Movant's claim. The value
2 of the Movants claims is marginal relative to the Debtors' estates and the allowance of those
3 claims will not disrupt the reorganization or distribution process. Debtors' estates are solvent,
4 and all creditors stand to be paid. See, e.g., *In re Best Payphones, Inc.*, 523 B.R. 54, 75-6 (Bankr.
5 S.D.N.Y. 2015) and *In re Sheehan Mem'l Hosp.*, 507 B.R. 802, 803 (Bankr. W.D.N.Y. 2014)
6 (where the chapter 11 estate is solvent, "the proper remedy for a late filing is not the
7 expungement of a claim, but its allowance as a tardily filed claim only.).

8 Second, despite the late filing, the Movant's claim will have essentially zero impact on
9 the judicial proceedings and will not change PG&E's reorganization process. There are tens of
10 thousands of similarly situated claimants as the Movant, whose claims will be placed among
11 them, resulting in no noticeable impact upon the distribution process. See e.g., *In re Dix*, 95 B.R.
12 134, 138 (B.A.P. 9th Cir. 1988) (allowing proof of claim filed two-years late because "there is
13 no indication [of] a negative impact on efficient court administration"); *In re Earth Rock, Inc.*,
14 153 B.R. at 63 (finding excusable neglect where eight-month delay would not impact
15 reorganization proceedings).

16 Third, the factual circumstances in the Movant's claim warrants excusable neglect. The
17 board that was responsible for the Church were all also fire victims who needed to first focus on
18 re-establishing their own lives after the fire. Once the members of the board of the Church were
19 able to figure out how they can recover after the fire, the attention focused on their beloved
20 Church.
21

22 The board of the Church also struggle from post-traumatic stress disorder as a result of
23 the fire. Post-traumatic stress disorder symptoms may start within one month of a traumatic
24 event, but sometimes symptoms may not appear until years after the event.¹ These symptoms
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26
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28 ¹ Post-traumatic stress disorder (PTSD) - Symptoms and causes, Mayo Clinic (July 6, 2018),
www.mayoclinic.org/diseases-conditions/post-traumatic-stress-disorder/symptoms-causes/syc-20355967.

1 cause significant problems in social or work situations and in relationships.² They can also
2 interfere with a person's ability to go about their normal daily tasks.³ PTSD symptoms can vary
3 in intensity over time. Someone may have more PTSD symptoms when they are generally
4 stressed, or when they come across reminders of a traumatic event they experienced.⁴ In terms of
5 wildfire victims, many feel stress, anxiety and panic when they smell even the slightest smoke,
6 because it triggers a traumatic memory of their experience. Some even wake up multiple times at
7 night to make sure there is not a fire nearby. In the present case, the board of the Church was
8 struggling with their own issues regarding the fire, so they were unable to properly focus on the
9 Church until they sorted out their own life. Due to the extreme PTSD they all suffered, they need
10 to be able to escape to their church to help ease their mind from the aftermath of this fire.
11

12
13 Another common symptom of PTSD is avoiding things that remind someone of the event.
14 ⁵ For wildfire victims, this can include putting off filing a lawsuit in order to try to move on from
15 the traumatic event. Unfortunately, for these types of wildfire victims, years later, they come to
16 the realization that it is not possible to simply start over after the fire. A lot of wildfire victims
17 have lost their homes, everything they own, their jobs, and their community. With a limited or no
18 income at all, most wildfire victims are unable to rebuild and move on as they were trying to do.
19 Similarly, here, Movant was responsible for helping establish a sense of community, a place
20 where everyone was welcome. During stressful times in a community, Craig Memorial Church
21 offered gestures of peace and goodwill. As a result, due to excusable unawareness, the Movant
22 did not timely file a proof of claim for their 2018 damages until after the bar date. See e.g.,
23
24
25

26 ² *Ibid.*

27 ³ *Ibid.*

28 ⁴ *Ibid.*

⁵ About Face booklet (va.gov)

1 Comm. for Idaho's High Desert, Inc. v. Yost, 92 F.3d 814, 824 (9th Cir. 1996) ("compelling
2 circumstances" in one's personal life may constitute excusable neglect). After realizing the
3 legitimacy of their claims and how difficult it is to start over and rebuild a church, Movant
4 contacted Frantz Law Group, APLC to evaluate their claim. During the normal course of due
5 diligence, Frantz Law Group, APLC inquired about possible damages from the 2018 Camp Fire.
6

7 It would be unfair for the plaintiff to not be able to a claim. Movant, Craig Memorial
8 Church, brings together an entire community and will continue to bring the community together.
9 Now more than ever, when wildfire survivors are beginning to be able to start to pick themselves
10 up, the rebuild of their beloved Church will provide that sense of normalcy they so desperately
11 seek. Importantly, the Movant's claim was made in good faith. Movant, although an important
12 location in the community, was unfortunately overlooked. The bystander effect of assuming
13 someone else was helping take care of the Church played a big role in the Court. Due to excusable
14 neglect, she did not understand the legitimacy of her claims which resulted in the Movant not
15 filing a claim in time.
16
17

18 IV. CONCLUSION

19 For the foregoing reasons, this Motion should be granted, and Craig Memorial Church's
20 claim should be deemed timely.
21

22 Dated: May 6, 2022

By: /s/ James P. Frantz
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I, Regina Bagdasarian, declare as follows:

1. I am an individual over 18 years of age and competent to make this Declaration.
2. If called upon to testify, I could and would competently testify as to the facts set forth in this Declaration. The facts set forth below are true based on my personal knowledge or through information obtained my staff.
3. I am an attorney of the law firm Frantz Law Group, APLC and I make this declaration in support of the Motion to Allow/Deem Timely Late Filing of Proof of Claim.
4. Creditor Craig Memorial Church is a Church that was affected by the Camp Fire that occurred in 2018.
5. Craig Memorial Church was located at 5872 Oliver Rd, Paradise, CA 95969.
7. On May 6, 2022, Craig Memorial Church retained FLG.


I declare under penalty of perjury that the foregoing is true and correct. Executed on May 6, 2022.

... that the foregoing is true and correct. Ex

Regina Bagdasarian

CERTIFICATE OF SERVICE

I hereby certify that on May 6, 2022, a copy of the following was filed electronically.
Notice of this filing will be sent by operation of the Court's electronic filing system to all
parties indicated on the electronic filing receipt. Parties may access this filing through the
Court's electronic filing system.

/s/ 
Regina Bagdasarian

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EXHIBIT 1

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA (SAN FRANCISCO DIVISION)

In re:
PG&E CORPORATION,
- and -
PACIFIC GAS AND ELECTRIC
COMPANY,
Debtors.

Bankruptcy Case
No. 19-30088 (DM)

Chapter 11
(Lead Case)
(Jointly Administered)

Proof of Claim (Fire Claim Related)

Read the instructions before filing this claim form. This form is for tort claimants who have a claim against the Debtors (i.e. PG&E Corporation and Pacific Gas and Electric Company) that arose prior to the Debtors filing for bankruptcy (i.e. prior to January 29, 2019) and that arose from, or relates to, a fire.

Do not use this form for non-fire claims. Non-fire tort claimants should use Form 410.

Do NOT file a fraudulent claim. A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Please type or print in the spaces below. Do NOT use red ink or pencil.

Part 1: Identify the Claim

1. Who is the current creditor?	Craig Memorial Congregational Church Name of the current creditor (the person or entity to be paid for this claim)	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Are you filing this claim on behalf of your family? A family is a group of two or more people related by birth, marriage, domestic partnership, or adoption and residing together. All such people are considered as members of one family.	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If you checked "Yes", please provide the full name of each family member that you are filing on behalf of: _____ _____ _____ _____	
4. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Name <u>Craig Memorial Congregational Church</u> Attorney Name (if applicable) <u>James P. Frantz</u> Attorney Bar Number (if applicable) <u>87492</u> Street Address <u>402 West Broadway Suite 860</u> City <u>San Diego</u> State <u>CA</u> Zip Code <u>92101</u> Phone Number <u>530-423-6774</u> Email Address <u>wildfires@frantzlawgroup.com</u>	Where should payments to the creditor be sent? (if different) Name _____ Attorney Name (if applicable) _____ Attorney Bar Number (if applicable) _____ Street Address _____ City _____ State _____ Zip Code _____ Phone Number _____ Email Address _____
5. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
6. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

Part 2: Give Information About the Claim as of the Date this Claim Form is Filed

7. What fire is the basis of your claim? Check all that apply.	<input checked="" type="checkbox"/> Camp Fire (2018) <input type="checkbox"/> North Bay Fires (2017) <input type="checkbox"/> Ghost Ship Fire (2016) <input type="checkbox"/> Butte Fire (2015) <input type="checkbox"/> Other (please provide date and brief description of fire: _____)
8. What are the loss location(s) where you and/or your family suffered harm? (e.g. home or business address, place of injury, place from which you were evacuated, if different?)	Location(s): 5872 Oliver Rd, Paradise, CA 95969
9. How were you and/or your family harmed? Check all that apply	<input checked="" type="checkbox"/> Property Damage (homes, structures, personal property, land, trees, landscaping, and all other property damage) <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Renter <input type="checkbox"/> Occupant <input type="checkbox"/> Other (Please specify): _____ <input checked="" type="checkbox"/> Personal Injury <input type="checkbox"/> Wrongful Death (if checked, please provide the name of the deceased) _____ <input type="checkbox"/> Business Loss/Interruption <input checked="" type="checkbox"/> Lost wages and earning capacity <input checked="" type="checkbox"/> Loss of community and essential services <input type="checkbox"/> Agricultural loss <input checked="" type="checkbox"/> Other (Please specify): <u>Any and all other damages revocable under California law.</u>
10. What damages are you and/or your family claiming/seeking? Check all that apply	<input checked="" type="checkbox"/> Economic damages (including replacement cost of damaged property, diminution in value, loss of use, lost inventory, lost profits, and other economic damage) <input checked="" type="checkbox"/> Non-economic damages (including loss of society and support, loss of consortium, pain and suffering, emotional distress, annoyance and discomfort, and other non-economic damage) <input checked="" type="checkbox"/> Punitive, exemplary, and statutory damages <input checked="" type="checkbox"/> Attorney's fees and litigation costs <input checked="" type="checkbox"/> Interest <input checked="" type="checkbox"/> Any and all other damages recoverable under California law <input type="checkbox"/> Other (Please specify): _____
11. How much is the claim?	<input type="checkbox"/> \$ _____ (optional) <input checked="" type="checkbox"/> Unknown / To be determined at a later date

Part 3: Sign Below

The person completing this proof of claim must sign and date it.
FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both.
18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- ☐ I am the creditor.
☒ I am the creditor's attorney or authorized agent.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 5/11/22 (mm/dd/yyyy)

Signature

Print the name of the person who is completing and signing this claim:

Name	<u>James P Frantz</u>		
	First name	Middle name	Last name
Title	<u>Attorney</u>		
Company	<u>Frantz Law Group</u>		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	<u>402 W Broadway Ste 860</u>		
	Number	Street	
	<u>San Diego</u>	<u>CA</u>	<u>92101</u>
	City	State	ZIP Code
Contact phone	<u>855-735-5945</u>	Email	<u>wildfires@frantzlawgroup.com</u>